

## FISCAL NOTE

### HB 825 - SB 1256

March 6, 2001

**SUMMARY OF BILL:** Amends TCA Title 54, Chapter 5, Part 11 relative to specific service signs and food service establishments as follows:

- Requires the Department of Transportation, at such time that more food service businesses qualify for space on the service signs than can fit on the current signs, to erect an additional three panel extension to the existing board if such business so requests.
- Prohibits the replacement of a service sign for any food service business qualified under this program as of July 1, 2001, as long as the business continues to be qualified.

### ESTIMATED FISCAL IMPACT:

**Other Fiscal Impact - A potential increase in state expenditures of up to \$539,305 to the Highway Fund could occur if all 65 signs, which currently have the maximum of 6 food service business advertisements, must be expanded in order to place additional food service business advertisements on the sign. Actual cost will depend on the number of signs modified. However, any cost incurred for installation of the new signs would be recovered over a period of years by the department through the quarterly payback program established with the contractor administering the logo program for the state.**

For information purposes:

- There are currently 117 interchanges that have food service signs.
  - 2 mainline signs, one on each side of the interchange; and,
  - 2 ramp signs, one on each exit ramp.
- Of the 117 interchanges that currently have food service signs, 65 have 6 existing food panels.

Estimate assumes:

- The cost to add a three-panel extension at each interchange would cost approximately \$8,297 per interchange.
- To upgrade the existing 65 signs that currently have 6 food service business panels is estimated to increase state expenditures approximately \$539,305 [65 x \$8,297 each].
- The cost to erect the additional signs would be paid from the Highway Fund.

### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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